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SUMMARY RECORD OF THE 5th MEETING

Chairman: Mr. CHOWDHURY (Bangladesh)

later: Ms. DAES (Greece)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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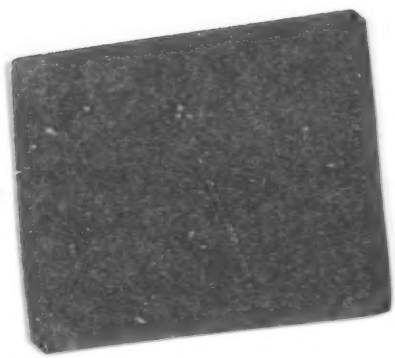

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The meeting was called to order at 10.05 a.m.

AG NDA ITEM 117: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS

1. Mr. CONNOR (Under-Secretary-General for Management), reporting on the financial situation of the Organization as at 30 September 1997 with the aid of a s ries of charts, said that the information given in his presentation would be r produced at a later date as an official document of the General Assembly, with any updating needed.

2. Since his previous report to the Committee, the Secretary-General had presented his reform proposals and Mr. Ted Turner had indicated his intention to c ntribute $1 billion over 10 years to United Nations humanitarian activities. Ne ther of those substantial actions, however, held any immediate prospect of lleviating the Organization's precarious financial situation, which was largely attributable to the recurrent practice of late payment and non-payment by Member States of assessed contributions. As a result of that practice, the rganization's financial situation was characterized by continuing levels of arrears in absolute terms and mounting levels of arrears in relative terms; continuing shortages and persistent intervals of regular budget cash deficits; prol nged periods and increasing levels of borrowing from peacekeeping cash for re ular budg t purpos s; and persistent levels of debt to Member States for r op and equi ment.

. At the end of Sept mber 1997, preliminary figures for unpaid assessments fo the regular budget peacekeeping operations and the international trib nals totalled $2. 17 billion. Of even greater concern was the ratio of unpaid sessments to the current year's assessment. The major contributor accounted for 60 per cent of all amounts owed to the Organization. The next 14 principal con ribu ors ccounted for 28 per cent, with most of the amount owed by two e b r stat s. The remaining Member States owed 12 per cent of the aggregate unpaid as essment. Only Canada, Denmark, Egypt, Finland, Liechtenstein, New Zealand and Norway had paid their assessments in full as at 30 September 1997. To some extent, the situation at the end of September reflected amounts o tstanding and unpaid in respect of peacekeeping assessments which had been issued only in July and August 1997 and many Member States which normally paid on time were expected to pay their recent assessments shortly.

4. With regard to the regular budget, as at 30 September 1997, 89 Member St tes had paid their contributions in full for 1997 and all prior years. In monetary terms, outstanding contributions to the regular budget amounted to $649 million as at 30 September. Of that amount, $382 million was for the current ear and $267 million for prior years. The largest contributor owed 77 per cent f the regular budget aggregate amount, while two of the next 14 principal con ributors owed 9 per cent and all other Member States in arrears owed 14 per cent of the total. The continuing high levels of unpaid assessments were ndermining the Organization's financial stability and liquidity. The problem had not gone away and might in fact be getting worse. Payments of arrears were therefore desperately needed from the major contributor and from 95 other Member States.

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5. As for the cash situation, so far in 1997 the Organization had received $972 million against regular budget assessments for both the current and prior years. Of the aggregate amount, $803 million had been contributed by the 15 largest contributing Member States and $169 million by all other States. The amount collected to date represented 88 per cent of the amount assessed for 1997. It was now estimated that total cash collections in 1997 would be in the $1.15 billion range, compared to $1.2 billion in 1996 and $1.1 billion in 1995. The downward adjustment of over $50 million in the 1997 estimate of cash collections reflected both the most recent information provided by the major contributor as to the amount of that Member State's total contributions to be paid in 1997 and the rise in the Organization's expenditures, which were running at a level $20 million higher than had been previously estimated. Accordingly, the current forecast of cash balances at the end of 1997 was some $70 million less than the forecast presented earlier in the year.

6. The 1997 financial year added one more year to a pattern of year-end cash deficits in the regular budget account which had begun in 1994. Despite the inherent difficulty of forecasting over longer periods, the Secretariat had for the first time attempted to forecast regular budget cash at the end of the year 1998. In doing so, it had concentrated primarily on discernable patterns of current assessment contributions, drawing on the experience of previous years, and, in a few instances, it had asked Member States for their estimates of assessment payments during 1998. The forecast was that there would be a negative cash balance at year end of $261 million and that the negative position would persist for five months in 1998.

7. Peacekeeping cash was also dwindling. At the end of September 1997, aggregate usable peacekeeping cash was $745 million, down from a total of $874 million at the beginning of the year. It was estimated that the total at the end of the year would be $670 million.

8. On the subject of payments and debt for troops and equipment, the Secretary-General intended to try to prevent the amount already owed to Member States from increasing. He further intended to pay some of the arrears when Member States remitted substantial payments of their arrears, as had occurred in 1996 when the Russian Federation had paid over $200 million in arrears. In recent months, payments totalling $155 million had been disbursed to troop and equipment providers and an additional payment of $65 million was projected to be made in the next few weeks. The total reimbursement figure for 1997 was expected to reach $270 million. Thus it was estimated that at the end of 1997 the Organization would owe $907 million to troop- and equipment-contributing countries, up from the total of $838 owed at the end of 1996. As happened periodically, the Secretariat had re-evaluated the amounts owed to Member States for contingent-owned equipment; that had resulted in an upward adjustment of $100 million.

9. The level of activity in 1998 was expected to be somewhat lower than that in 1997 - approximately $1 billion. At that level, troop and equipment requirements were expected to range between $220 million and $250 million. It was expected that collection of assessments would permit payments to Member States in 1998 of amounts in a similar range. Unless Member States paid a significant amount of arrears, the Organization did not foresee any significant

repayment of the accumulated troop and equipment obligation by the end of 1998. The collection of assessments remained key to the restoration of the Organization's financial stability.

10. On the subject of the combined cash forecast for 1997 and the extent of the cross-borrowing between the regular budget and the peacekeeping cash funds, the amount of combined cash in each of the most recent years had been less than that in the preceding year. As at 31 December 1997, combined regular budget and peacekeeping cash totalled $398 million, about half the amount for 1995. The extent of the deterioration could be seen by comparing the figure for the end of 1997 with that for 1994. The deficit in regular budget cash had multiplied tenfold.

11. In short, the financial situation of the Organization was characterized by continuing arrears in assessment collections, continuing deficits in regular budget cash, extensive cross-borrowing of peacekeeping cash, and levels of debt to Member States that could not be liquidated. In a few years, the Organization had reached the point where it had little if any financial flexibility, was highly illiquid and rested on a precarious financial footing. That was not a good place to be.

12. Mr. SYCHOU (Belarus) said that the lack of adequate financing significantly restricted the Organization's ability to fulfil its important tasks. Many countries acknowledged that the root causes of the continuing financial crisis were, on the one hand, a poorly thought out and excessive expansion of the scope of United Nations activities during the previous decade, which had had an adverse impact on the effectiveness of the activities of almost all the specialized agencies, funds and programmes of the United Nations, and, on the other hand, the unjust apportionment of the Organization's expenses among its Member States.

13. While in general it supported the Secretary-General's proposals for reducing the Organization's administrative expenses by one third and for the proper management of its human resources, the Government of Belarus had certain doubts regarding the establishment of a Revolving Credit Fund, which would presuppose the introduction of a system of fines and incentives during the period of its utilization. The introduction of such a system could also result, in certain circumstances, in the double transfer by Member States of their contributions.

14. His delegation believed that the best way out of the current financial crisis lay in the application of the principle of the capacity of States to pay when the apportionment of the Organization's expenses was determined. It therefore hoped that, at its current session, the General Assembly would conduct a successful search for ways in which the burden could be shared equitably among Member States that would result in the adoption of a new scale of assessments for the apportionment of the expenses of the United Nations.

15. Despite its own economic difficulties, Belarus intended to fulfil its financial obligations to the Organization. During the first half of 1997, it had contributed more than $2 million to the regular budget and it was currently considering the possibility of transferring approximately $5 million later in

the year to pay off its arrears. He wished to point out, however, that those arrears had accumulated not only because of the economic difficulties brought about by the country's transition from a centrally planned economy but also because of the unjust apportionment of the Organization's expenses among Member States. It was therefore necessary to take measures to achieve a just settlement of the accumulated arrears of States like Belarus, which had become debtors for reasons beyond their control. His delegation was ready to work with others to establish a new scale of assessments that would eliminate the discrepancy between the assessments of many States and their real capacity to pay.

16. Ms. PEÑA (Mexico) said that her delegation looked forward to receiving the information just provided by the Under-Secretary-General for Management in the form of an official document in all the official languages. She wished to reiterate her delegation's view that the financial crisis facing the Organization was in no way linked to the current scale of assessments but rather to the failure of Member States to pay their assessed contributions as they were legally obligated to do under the Charter. Consequently, the only acceptable arrangement would be for the delinquent States to pay off their arrears.

17. The CHAIRMAN confirmed that the report of the Under-Secretary-General for Management would be circulated at a later stage as an official document of the General Assembly.

18. Ms. BUERGO (Cuba) said that the Organization's critical financial situation was certain to have a negative impact on its ability to discharge its various mandates effectively. It was therefore crucial for all assessments to be paid in full, on time and without conditions. Despite the severe economic difficulties brought about by the unjust economic, commercial and financial embargo imposed by the United States against Cuba, her Government had paid the sum of $1.193 million to the Organization during the previous week; that was a reflection of Cuba's commitment to the Organization. Her delegation did not believe that the Organization's current financial crisis was related to the scale of assessments and it therefore hoped that the negotiations which were about to take place would not be diverted into a discussion of that issue.

19. Mr. HANSON (Canada) said that the matter was a simple one. It was for the General Assembly to decide on the scale of assessments; Member States were then under a legal obligation to pay their assessments in full, on time and without conditions.

20. Ms. ARAGON (Philippines) said that the current financial crisis was affecting the Organization's ability to implement its programmes and activities. She regretted that, after three years, the high-level open-ended working group under the chairmanship of the President of the General Assembly had been unable to come up with viable proposals for resolving the crisis. While the Secretary-General's proposals for a Revolving Credit Fund might indeed provide some temporary relief, they needed to be further developed so that the question of how to secure the payment of arrears could be addressed. Ultimately, however, the solution to the crisis lay in the payment by Member States of their assessed contributions in full and on time.

21. Ms. LETROT HADJ HAMOU (France) requested that the comments of the Under-Secretary-General for Management should be made available in all the official languages. In addition, he should provide further details on the Secretary-General's intention to pay Member States in 1997 amounts approximating to the amount of obligation incurred in 1997. Her delegation also wished to receive an updated list of the amounts owed to troop- and equipment-contributing States.

22. Mr. NOUR (Egypt) regretted that there had been no improvement in the Organization's financial health; that was entirely due to the fact that some Member States had not paid their assessed contributions. Egypt was proud to be among the handful of totally paid-up States. The Under-Secretary-General for Management should clarify whether the amounts which the Secretary-General intended to pay out to troop- and equipment-contributing States related to 1997 alone or whether they related to accumulated arrears.

23. Mr. CONNOR (Under-Secretary-General for Management) said that it was the Secretariat's policy to pay its oldest bills first. The reimbursements in question therefore related to accumulated arrears, but one sum involved would approximate to the amount of obligation incurred in 1997. An updated list of the amounts owing to troop-contributing States as of 31 August 1997 was available.

24. Mr. SIAL (Pakistan) said that availability of funds was the cardinal principle underlying the Organization's activities. Unless that principle was obeyed, the Secretary-General would find himself in an increasingly desperate position and be compelled to resort to extraordinary measures, namely continued borrowing from peacekeeping budgets to offset non-payment by the principal contributor. His delegation invited the Under-Secretary-General for Management to comment on the remark he had made on earlier occasions that one group of Member States was more or less permanently funding non-payment by another group of States.

25. Mr. YUSSUF (United Republic of Tanzania) said that the same problems continued to afflict the Organization's finances year in, year out. It was no longer sufficient to repeat the slogan that Member States should pay in full, on time and without conditions. Specific measures needed to be taken. The Under-Secretary-General for Management should also provide a list of troop-contributing States and indicate the amount which the Organization owed to each of them.

26. Mr. VALLE (Brazil) said that in addition to regular budget dues in the amount of $2 million which had been paid the previous month, his Government intended to make available a further $10.4 million in the course of October 1997. Brazil would thereby go a long way towards liquidating all its regular budget dues and its debt to the peacekeeping budgets. His Government hoped to make further payments before the end of the year.

27. Mr. SULAIMAN (Syrian Arab Republic) deplored the financial crisis which continued to afflict the United Nations and said that his Government had made a payment of $200,000 towards its unpaid contributions and intended to pay off the balance over the next three years. It was paradoxical that most of the

developing countries had paid or were in the process of paying their dues, whereas the super-Powers, which certainly had the means to pay, had not been so forthcoming. His delegation wished to stress that there was no link between the current financial crisis and the Secretary-General's proposed reforms. In no circumstances should the reforms be viewed as an alternative to non-payment of arrears.

28. Mr. MADDENS (Belgium), speaking on behalf of the European Union, said that his delegation regretted that troop- and equipment-contributing countries, which included a significant number of European States, continued to be solely responsible for keeping the Organization afloat. As the number of peacekeeping operations declined, the practice of borrowing from peacekeeping budgets was becoming increasingly risky.

29. Mr. GREIVER (Uruguay), referring to the figure of $270 million which the Under-Secretary-General had earmarked for reimbursement to Member States in 1997, said that, since the United Nations was indebted to troop-contributing countries for far more than that amount, his delegation wished to know when the balance was likely to be repaid.

30. Mr. CHINVANNO (Thailand) said that, without a firm commitment from Member States, the Secretary-General's reform plan would come to nothing. It was important for Member States to meet their financial obligations; failure to pay would undermine the Organization's ability to reform. Thailand took its legal obligation seriously and was making every effort to pay in full and on time, despite the financial crisis besetting the country. His delegation did not agree that the current cash flow problems were linked to any unfairness in the scale of assessments. Simply reforming the scale of assessments would not be a panacea for all the Organization's ills. However, any change in the scale would have to be on the basis of agreed components, capacity to pay, transparency and fairness.

31. Mr. MALAN (Côte d'Ivoire), noting that Côte d'Ivoire had always made an effort to meet its financial commitments to the Organization, asked whether any steps had been taken to deal with debtor States, and if so, what the results had been. His Government had paid its contribution to the regular budget and was therefore surprised to see that, according to the Secretariat's reckoning, Côte d'Ivoire was still in debt. His delegation attributed the misunderstanding to the new payment methodology which had been used; in any case the Secretariat should provide further details of the transaction. The Under-Secretary-General for Management should also clarify exactly how the Organization intended to apply the recent donation pledged by Mr. Ted Turner.

32. Mr. WATANABE (Japan) said that all Member States should pay their dues in full, on time and without conditions. The financial crisis facing the Organization had nothing to do with the existing scale of assessments; it had arisen simply because some Member States had not paid what they owed.

33. Mr. ATIYANTO (Indonesia) said it was clear that the financial crisis was the result of non-payment by certain Member States. It was important to ensure that mandated activities were not affected by the crisis. Special consideration should be given to the payment difficulties experienced by developing countries.

His Government had always endeavoured to make its payments in a timely manner and would continue to do so despite the recent financial crisis in south-east Asia.

34. Mr. PÁLIZ (Ecuador) said that the only obvious solution to the financial crisis was to ensure full payment of financial obligations, especially by the major contributors. The present crisis was in no way linked to the current scale of assessments.

35. Ms. EMERSON (Portugal) noted with regret that the financial crisis had placed a heavy burden on the troop-contributing countries. Some delegations had pointed out that there was no link between the crisis and the scale of assessments. While it was true that some Member States had chosen not to pay for political reasons, it was also the case that certain States had experienced genuine difficulties in meeting their commitments; in that respect a link did exist between the crisis and the scale of assessments. The current scale was not sensitive to the abrupt economic changes that could affect States. Her delegation was also curious to know why so many States had not paid up in full as of 30 September. If all those States regarded the present scale as just and fair, there could be no excuse for their late payment. The time had obviously come to consider the question of incentives for prompt payment and disincentives for payment in arrears.

36. Ms. MONTAÑO-DURAN (Bolivia) reaffirmed her Government's support for the Organization's work and indicated that Bolivia had paid its assessment for 1997 by 30 September.

37. Mr. BLUKIS (Latvia) asked the Under-Secretary-General to explain the meaning of the term "all other changes" used in chart 22 of the charts he had circulated, concerning the amounts owed to troop- and equipment-contributing countries. It was not helpful to attempt to isolate a single cause of the financial crisis; the problem was multifaceted and necessitated a similar approach. One cause of the crisis had been the sharp increase in the number of peacekeeping operations in the early 1990s and the rapid decline in such operations since 1996; that surely had something to do with the amount of outstanding contributions. With regard to the timeliness of payments, it was not exceptional for a mere handful of States to have paid their contributions in full as of 30 September. Moreover, a significant number of Member States routinely maintained arrears at the level specified in Article 19 of the Charter of the United Nations; occasionally they even exceeded that limit and thereby forfeited their right to vote at the beginning of the session when there were very few crucial votes. That group invariably included countries whose rates of assessment were lower in the current scale than in the previous one. In that respect there was a link between the scale of assessments and deliberate non-payment of contributions.

38. Mr. MAHER (Australia) noted that his Government always paid its contributions on time. Accordingly he asked the Under-Secretary-General for Management to clarify exactly which contributions were outstanding from Australia in respect of the regular and peacekeeping budgets.

39. Ms. POWLES (New Zealand) said that her delegation was dismayed at the gravity of the financial crisis. Member States must meet all their obligations to the Organization to ensure a true partnership with the Secretariat. The Governments of those States which were currently in arrears to the United Nations should therefore assign far greater priority to payment of their assessed contributions.

40. Ms. Daes (Greece), Vice-Chairman, took the Chair.

41. Mr. MONTERREY (Nicaragua) said that his delegation was also concerned about the situation described by the Under-Secretary-General. Many of the developing countries were up to date in their payments, and the Secretary-General should seek means of collecting arrears from those countries that were behind. The scale of assessments had nothing to do with the Organization's financial situation.

42. Mr. HUMENNY (Ukraine) said that his Government was making every effort to pay its arrears and was among the top 15 in terms of payments actually made to the regular budget, a standing which it hoped to improve still further. The financial crisis was linked to broader and deeper problems facing the Organization and his delegation hoped that at the current session it would be possible to tackle some of the issues involved in the context of reform and the decision to be taken on the scale of assessments. The focus should be on resolving the crisis over the coming year. Consensus on the budget and the scale of assessments would help the Organization to establish a viable financial basis.

43. Mr. PAPPALARDO (Paraguay) said that his Government had paid its regular budget contribution for 1997 in September.

44. Mr. CONNOR (Under-Secretary-General for Management) said, with regard to the steps taken by the Secretariat to bring to the attention of Member States the need for the payment of assessments, that the Secretariat sent notes, made telephone calls and made formal requests in writing regarding amounts and dates of payment. In October or November a limited number of Member States were formally advised that they were approaching sanctions under Article 19, and were informed of the amounts that must be paid to avoid such sanctions. The Secretariat did not, however, wish to be a bill-collecting agency.

45. The contribution pledged by Mr. Turner would not serve as a substitute for assessed amounts. When determining which Member States were fully paid up, elements such as bank charges on remittances were ignored by the Secretariat. As for payments to troop- and equipment-contributing countries, the key figure was the $270 million which the United Nations was committed to paying to providers. Lastly, he noted that, while Australia was indeed one of the promptest payers, an amount of some $1.9 million had remained unpaid in respect of peacekeeping; a number of significant contributions had, however, been received recently, and he had no doubt that Australia would be among those States which had made payments.

AGENDA ITEM 153: HUMAN RESOURCES MANAGEMENT (A/51/955; A/C.5/51/58)

46. Ms. KUNADI (India) said that, according to the information in document A/C.5/51/58, of the total of 163 staff members on appointments of less than one year as of 3 April 1997, 27 had been exempted from the application of paragraph 26 of section III.B of General Assembly resolution 51/226 and another 12 had been separated; that left a balance of 124 staff members. She asked whether the earlier contracts of those 124 staff members - most of whom were from developing countries - had been valid on 8 September 1997, or whether they were among those staff who were neither on support account posts nor covered under the fourth paragraph of document A/51/893; whether it was the intention of the Secretary-General to separate them once their current contracts expired; and whether it was his intention not to regularize their status.

47. As explained in document A/51/893, the Secretary-General had sought the prospective application of paragraph 26 of section III.B of General Assembly resolution 51/226 since staff recruited against support account and international tribunal posts were, strictly speaking, not "back door" recruits. The General Assembly had confirmed that the resolution would be applied prospectively, thus making clear its intention that staff members affected by paragraph 26 who had been on appointments of less than one year as of 3 April 1997 should be given an opportunity to apply for their posts and to be considered for regular appointments. Accordingly, she asked for clarification as to whether the 124 staff members concerned were being precluded from such consideration, and, if so, why.

48. Further, the Secretariat appeared to be interpreting paragraph 27 of section III.B of the resolution in such a way as to restrict the definition of "persons serving in peacekeeping ..." to those who had served continuously in missions for 12 months or more, thereby excluding peacekeeping posts at Headquarters and effectively discriminating on the basis of the location of posts. Accordingly, she wished to know how many staff members had been serving in peacekeeping or other field missions as of 3 April 1997, with a breakdown by nationality and an indication of which of them had completed 12 months or more of service as of that date. She also requested details of recruitment after 3 April 1997 and asked how many staff had been initially recruited for assignment to Headquarters and thereafter transferred to missions. Discrimination on the basis of location when the initial recruitment had not specified the consequent benefits or disadvantages was bad law, and she requested the views of the Legal Counsel thereon.

49. General Assembly resolution 51/226 entrusted the Secretary-General with the responsibility of ensuring that all future recruitment was conducted in accordance with the relevant rules and regulations and provisions of the Charter, although paragraph 27 of section III.B appeared to permit recruitment of staff initially recruited for mission appointments to Secretariat posts as internal candidates, thereby circumventing the rules. She thus wished to know what procedures had been established to ensure that such a circumvention of recruitment rules and regulations did not take place.

50. Ms. SHENWICK (United States of America) said that the Secretary-General's claim for exemption for staff on peacekeeping support account posts and certain

international tribunal posts had referred only to those regularly recruited, although it now appeared that some of the individuals in question had not in fact been regularly recruited. For example, some had not taken the requisite break in service, but had remained in employment for more than 12 months and had not been approved by any promotion body. Others had effected a "break" in service by continuing their duties as consultants, which was clearly improper. Staff in those two categories should not be covered by the Secretary-General's exemption. Any consultant in post as of the date of the resolution would, in any event, be precluded from applying for a short-term appointment for six months, and whether the individual or the Administration had taken the initiative in switching between short-term and consultancy status was irrelevant. There was also an element of arbitrariness, in that not all staff had been offered such an opportunity. It was also apparent from document A/C.5/51/58 that in some cases exemptions had been granted owing to a shortage of candidates for advertised posts; that seemed a questionable practice.

51. The issue was not one of developed versus developing countries; rather, it concerned an attempt by the membership to secure transparency and fairness in the recruitment of staff for fixed-term and permanent contracts. The concept of regularization should simply not exist in terms of allowing staff to move from short-term to fixed-term or permanent contracts; the practice seemed to have benefited nationals from one country in particular.

52. The Secretariat should continue to develop non-financial incentives to encourage applications for field positions in hardship locations, for instance those who had served for 12 months in hardship locations might be allowed to be treated as internal candidates. That benefit should not, of course, be extended to those serving at Headquarters.

53. Mr. MOKTEFI (Algeria) said that his delegation was very concerned by the derogations applied to support account and international tribunal staff, and the concept that acquired rights were involved. In order to avoid matters going to the Administrative Tribunal, all staff, irrespective of nationality, should be treated in the same way. It appeared that nationals of developing countries had suffered unduly in the application of the resolution, and his delegation would like an explanation.

54. Ms. BUERGO (Cuba) said that her delegation supported the comments made by the representative of India. She regretted the statement by the Secretary-General that staff serving on peacekeeping support account and international tribunal posts as of 3 April 1997 would be exempted from the application of paragraph 26 of section III.B of resolution 51/226, since that had not been the intent; she requested an explanation of that approach. She would welcome the views of the Office of Legal Affairs as to how the resolution should be implemented, taking into account the views of the Committee and the outcome to date, as portrayed in document A/C.5/51/58. That document indicated that only 6 of the 27 exemptions so far accorded had been for nationals of developing countries; that was a regrettable state of affairs which demonstrated the discriminatory and selective approach taken. She wished to know how the exemptions accorded with the Staff Rules and what functions were being performed by staff in Conference and Support Services on support account posts. She also wished to have details of the dates on which those who had been asked to leave

the Organization had received such requests. She noted that more than half the staff in question were from developing countries. She would welcome a written reply to those questions, to be considered at a formal meeting. In particular, she was concerned to know how the Secretariat was implementing paragraph 27 of section III.B of the resolution.

55. Mr. HANSEN-HALL (Ghana) said that the former Assistant Secretary-General for Human Resources Management had spoken of the possible restriction of paragraph 27 to field staff only. The comments by the representative of India had demonstrated the flaws in the implementation of the resolution, and his delegation supported the requests for information and clarification. The whole question of exemptions should be reviewed very seriously, and a proper analysis should be conducted of paragraphs 26 and 27 of section III.B of resolution 226.

56. Mr. SULAIMAN (Syrian Arab Republic) said that, when his delegation had addressed the question at the resumed fifty-first session, it had expressed surprise that the application of the resolution had been made retroactive. The justifications provided had not been convincing, and the possible effects of the implementation of resolution 51/226 should have been made clear in advance. His delegation joined previous speakers in requesting explanations of the apparent disparities in the exemptions granted under paragraph 26. The position of the Group of 77 and China represented that of the majority of Member States, and its views must be respected if the Organization was to be truly representative.

57. Ms. SHENWICK (United States of America) asked what the Organization's obligations were to a staff member hired on a short-term contract when that individual was not selected for a permanent post, and whether nationality had been among the criteria used in deciding not to renew contracts in application of resolution 51/226. Her delegation would welcome more information on the number of gratis personnel precluded from applying for or being appointed to permanent posts, broken down by nationality. She also requested confirmation that the date of entry into force of the resolution was its date of adoption.

58. Mr. HANSON (Canada) said that his delegation did not see the question as an issue of developing versus developed countries, and associated itself with the concerns expressed by the representative of India, particularly on the point of law she had raised. The Secretary-General should not be required to take an action that was improper under the law, even if so directed by the General Assembly.

59. Mr. LIU Yanguo (China) said that paragraph 26 of section III.B of resolution 51/226 affected the geographical distribution of staff and involved the question of representation of Member States within the Organization, a matter to which his delegation attached great importance. It looked forward to receiving replies from the Secretariat regarding the many concerns raised.

60. Mr. VALLE (Brazil) asked when the formal replies to the questions put by delegations could be expected.

61. Ms. CARDOZE (Panama) said that her delegation associated itself with the concerns raised by the representative of India and agreed that it was important for the Committee to receive a written reply.

62. Ms. PEÑA (Mexico) stressed that further discussion of the matter should take place at a formal public meeting.

63. Mr. FARID (Saudi Arabia) said that his delegation supported the statement by the representative of India.

64. Mr. YUSSUF (United Republic of Tanzania), speaking on behalf of the Group of 77 and China, said that the Group associated itself with the statement by the representative of India, which had raised many pertinent issues. He appealed to the Secretariat for a written reply to the letter which the Group had addressed to it.

65. Dr. LAUX (Officer-in-Charge, Office of Human Resources Management) expressed appreciation to the representative of India for her thorough analysis of the matter. Written replies to the many questions raised and the additional data requested would be provided in due course.

OTHER MATTERS

66. Ms. BUERGO (Cuba) said that her delegation would like to know the status of the reports on gratis personnel, which had been requested during the third part of the resumed fifty-first session for consideration before the end of the main part of the fifty-second session.

67. Mr. SIAL (Pakistan) said that his delegation shared the concern of Cuba regarding the status of those reports. Senior Secretariat officials had been present throughout the discussion of the item on gratis personnel, yet only after the adoption of the resolution had the Controller suggested that there might be some difficulty in preparing the requested reports on time. His concerns were based on past experience, as well; over two years had elapsed between the initial request for a report on that issue in June 1994 and its issuance. Moreover, the Group of 77 and China had urged that the question of gratis personnel should be given priority consideration at the fifty-second session.

68. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that the Committee secretariat had informed the Controller about the concern expressed over the delay in issuing the reports. He would restate those concerns and adjust the programme of work accordingly.

69. Ms. INCERA (Costa Rica), supported by Mr. SULAIMAN (Syrian Arab Republic), said that, while she appreciated the written reply from the Garage Administration to the questions she had posed at an earlier meeting, the legal basis for imposing parking fines on diplomatic vehicles was still unclear.

The meeting rose at 1 p.m.